



Construction Procurement Methods for Public Bodies

A Contractors Point of View

Joe Damico, DGS, Director

Mike Coppa, DGS, Director of DEB

Construction Management at Risk (CM@R) & Design-Build (DB)



Procedures

Procurement

Reporting



Procedures



Code Sections

- Legislative Action 2017 –
Chapters 699/704 (HB2366/SB1129)
- Moved CM and DB procurement law from VPPA to its own section of the Code of Virginia § 2.2-43.1 (§ 2.2-4378 – 4383)



Design Build and Construction Management

- Construction may be procured only by competitive sealed bidding, with the following exceptions:
 - Design Build
 - Construction Management



Design - Build

- Utilized for relatively simple projects with easily defined requirements
- Selection is a 2 step RFQ/RFP process
- Agency contracts with a D-B Contractor to design and construction project for a fixed price based upon a defined set of criteria



Construction Management at Risk

- Utilized for Complex Projects
- Owner engages A/E to design facility
- Owner engages Construction Manager through 2 step competitive negotiation
- Construction Manager provides preconstruction services concurrent with design then constructs facility



Affected Entities

Public Body:

Any legislative, executive or judicial body, agency, office, department, authority, post, commission, committee, institution, board or political subdivision created by law to exercise some sovereign power or to perform some governmental duty, and empowered by law to undertake the activities described in this chapter. "Public body" shall include:

- any independent agency of the Commonwealth, and
- any metropolitan planning organization or planning district commission which operates exclusively within the Commonwealth of Virginia.



Affected Entities

- Covered Institutions
- State Public Bodies
- Other Public Bodies



Affected Entities

Covered Institutions

- Subject to a Management Agreement
- Subject to a Memorandum of Understanding
- Under the pilot program authorized in the appropriation act



Affected Entities

State Public Bodies

Any authority, board, department, instrumentality, agency, or other unit of state government



Affected Entities

Other Public Bodies

County, City, Town or Local or Regional
Government Authority



Covered Institutions Procedures

- Submit proposed procedures for Design-Build and Construction Management at Risk to DGS. Procedures must comply with Ch. 43.1 and the SOA Procedures
- DGS will review & make recommendations to the institution.
- Institutions submit procedures adopted by the Board of Visitors to DGS for its records and for use in project procurement reviews.
- **Effective July 1, 2017– New procedures, approved by governing Board, must be in place prior to initiating any project utilizing CM@R or D-B**



State Public Bodies- Procedures

- CM Procedures checklist DB checklist and DGS Policy
- Follow DGS Policy

CM@R
Checklist

D-B
Checklist

DGS
Policy
CM@R

DGS
Policy
D-B



Other Public Bodies- Procedures

- Local Public Bodies must develop procedures that comply with § 2.2-4382 and are consistent with the SOA procedures.
- These procedures shall be adopted by the entity's governing body.



Procurement



State Public Bodies and Covered Institutions - Procurement

DGS Review Of Proposed CM & DB Procurements

- Regardless of fund source
- Includes state chartered authorities, boards, and commissions.



CM & DB Procurement Review & Recommendation

Utilize DGS submittal forms for review:

- Construction Management at Risk: DGS-30-456
- Design-Build: DGS-30-471

CM @ R

D-B

Submit to: capout@dgs.virginia.gov



CM & DB Procurement Review & Evaluation

<https://dgs.virginia.gov/engineering-and-buildings/special-reports-and-procedures/cm-and-db-procurement-evaluation/>

CM AND DB PROCUREMENT EVALUATION

FILTER		Search							
Request Date	FY	Agency Authority	Project #	Project Title	Project Value	Request & Evaluation Details	Agency Proposed Procurement Method	DGS Concur Method Appropriate	Agency Implemented Procurement Method
2017-09-06	2018	State Public Body	215-18297-000	UMW - Renovate Seacobeck Hall	\$16,692,000	Download	CM	Yes	
2017-09-14	2018	Covered Institution	207-A7207-001	UVA - Carr's Hill Renovation and Addition	\$12,830,000	Download	CM	Yes	
2017-10-02	2018	State Public Body	215-18177-000	UMW - Renovate Willard Hall	\$16,500,000	Download	CM	Yes	
2017-10-10	2018	Covered Institution	207-A7207-002	UVA - Main Heat Plant new Boiler 6 Installation	\$7,600,000	Download	CM	Yes	
2017-10-23	2018	State Public Body	213-17818-000	NSU - Construct Residential Housing	\$36,000,000	Download	CM	No	
2017-11-06	2018	Covered Institution	207-A7207-003	UVA - Softball Stadium at Lambeth Field and Colonnade	\$9,500,000	Download	CM	No	
2017-11-08	2018	State Public Body	213-17818-000	NSU - New Residence Hall	\$36,000,000	Download	DB	Yes	
2017-11-30	18	State Public Body	123-18312-000	DMA - Renovate Buildings for Cyber Brigade	\$15,000,000	Download	CM	Yes	
2017-12-18	18	State Public Body	409-18346-004	DMME - Roof Mount Solar	\$375,000	Download	DB	Yes	



What is Complex?

Complex Project: a construction project that includes one or more of the following significant components:

- specialized building systems,
- historic designation,
- unique equipment,
- intricate phasing,
- accelerated schedule,
- difficult site location,
- multifaceted program,
- or some other aspect that makes competitive sealed bidding not practical.



Key Things to Remember

- DGS recommendations, positive or negative, **must** be placed in project file
- Agency must report the procurement method actually utilized to DGS
- All information is public record and will be posted on DEB website



Reporting



Reporting Requirements

Report #1 Procurement Method Selection:

Due: 12/1/2018

DGS Reports data from our review of **State Public Bodies & Covered Institution** Procurement Method Selection

Report will include:

- number of projects reviewed
- identity of the state public body or covered institution and a description of each such project
- estimated cost of the project at the time of the Department's review
- recommendation made by the Department concerning the proposed procurement method
- final procurement method used by the state public body or covered institution



Reporting Requirements

Report #2 Completed Capital Projects in excess of \$2M:

Due: 12/1/2018 **First set of data will be available in 2021*

DGS compiles annual report from data reported by **all Public Bodies** for all completed capital projects in excess of \$2M

Report will include:

- procurement method utilized
- project budget
- actual project cost
- expected timeline
- actual completion time
- any post-project issues



How and When to Report

- By November 1ST of Each Year
- Projects Completed The Previous Fiscal Year (July 1 – June 30)
- Reporting will be through eVA similar to the Construction Procurement Survey



